June CV market down, but still up year to date

- **June CV registrations down 4.8 per cent, YTD figures up 2.4 per cent**
- **Light CV registrations 3.9 per cent down in June**
- **June truck registrations fell 9.9 per cent; over 15t down 5.4 per cent**
- **Bus & coach registrations up 5.5 per cent on June 2001**

New CV registrations in the United Kingdom				
	June	% change	YTD	% change
Total	**26,188**	**-4.8%**	**158,977**	**2.4%**
Light CVs	**21,611**	**-3.9%**	**131,965**	**4.0%**
Trucks	**4,192**	**-9.9%**	**24,772**	**-6.0%**
Buses & coaches	**385**	**5.5%**	**2,240**	**8.9%**

June CV registrations were modestly down, in part reflecting three fewer trading and data processing days this year compared to the same month last year. 'Growth slowed over the first half of the year, as it has in many other areas of the economy. But, for the six months to June registrations are healthily above the five year average and last year's very positive performance,' said SMMT chief executive Christopher Macgowan.

The CV market fell by 1,324 units or 4.8 per cent over last June's total of 27,512 registrations. Despite this June's weaker volume, four months growth in the first six months of 2002 ensured the registration total for the year to date remained 2.4 per cent ahead of that for the same period in 2001.

There were 158,447 CV registrations over the first six months of 2002 compared with 155,251 units for the same period last year. The 12 month moving annual total is 317,137 units, still up on the 2001 full year total of 313,411 units. The SMMT expects

that the 2002 full year total will be between 305,000 and 315,000, some four to seven per cent ahead of the annual average of 293,800 set over the 1997 to 2001 period.

June registrations continue to reflect and build on recent key market trends. The SMMT expects slower growth in the months ahead. Strong sales growth earlier in the year and only a modest slow down in UK domestic demand over the next six months should see the annual market close to par with that of 2001.

Van registrations were very good, particularly in the heavier van ranges (2.6-3.5 GVW). Pick-ups did well too this month. Further growth in bus and coach registrations in June concluded a very encouraging growth trend over the first half of this year, but against a distinctly below par period in 2001. Truck registrations dipped again in June after a long period of sustained demand. The pace of this modest decline looks set to continue.

Consumer spending has slowed modestly, but still remains too strong and debt-focused; it is expected to slow further and to be nudged by increases in interest rates. However, the timing and scale of interest rate rises is being delicately judged as private demand and confidence is especially fragile.

Key sectors of the CV market still reflect the strong domestic economy, but in other sectors growth prospects are weaker. As such the CV market reflects activity throughout the economy: a turning point has been reached, but markets are turning in different directions.

Light commercial vehicle registrations down 3.9 per cent

LCV registrations, at 21,611, dropped 883 units in June. The main losses came from the 1.8 to 2.6 tonne GVW sector, with registrations down 22.3 per cent; 4x4 utilities down 25.7 per cent and car derived vans to 1.8 tonne GVW, down 793 units or 11.7 per cent compared with the June 2001 market

Car type pick-up registrations continued their recent remarkable growth run, up by 273 units, 48.8 per cent. The heavy van segment, 2.6 to 3.5 tonne GVW, is now the

backbone of the LCV sector, accounting for 58 per cent of all LCV registrations for the month. Registrations here were up by 2.6 per cent on the total for June last year.

New truck registrations down 9.9 per cent

UK truck registrations dropped every month since February this year. But, the underlying market volume remains reasonably sound, with the 12 month moving annual total near to 54,000. SMMT expects that annual demand will continue to slow though this year ending at around 51,500 units.

Pockets of growth continue within the UK truck market, but mainly at the very light end. Two-axle-rigids, 3.5 to 7.4 tonnes GVW, are up on a year-on-year basis by 17.0 per cent for the first six months of the year.

Three axle rigid registrations recorded an increase of 15.6 per cent in June, helping to lift the year to date total up by 1.6 per cent. Artic registrations continue to bear the brunt of the slow-down in the truck market, but this month registrations fell by just 1.9 per cent to 1,373 units. This is above June 1999's 1,340 total, but significantly down on 2000's 1,585.

As truck registrations lag between three and five months behind orders, registrations in June represent sales made in February to April.

Bus & coach registrations on par with June 2001

Although June 2002's bus and coach registrations, at 385 were above 1999 and 2001 June market volumes they remain overshadowed by the June 2000 total of 444 units. Registration volumes over the first six months are up by 8.9 per cent to 2,240 units, after falling by more than a fifth in the same period of 2001.

With the encouraging performance of the first half of the year easing some of the anxieties and uncertainties after September 2001, the SMMT expects that the bus and coach market will see 3,900 registrations in 2002. This will be 3.5 per cent up on the 2001 total of 3,763, but still underperforming 2000's total of 4,381.

If you have any questions, please call Robin Dickeson
Direct line: 020 7344 9222 email: rdickeson@smmt.co.uk

June 2002 new CV registrations down by 4.8 per cent:

- year to date up 2.4 per cent
- fifth best June since 1988;
- some key LCVs sectors continue to show strong gains;
- Truck registrations still edging downwards.

LCV new registrations down by 3.9 per cent this June:

- YTD growth of 4.0 per cent
- Strong YTD growth in both 4x4s and car-type pick-ups;
- YTD heavy vans, 2.6 to 3.5t, representing 54 per cent of all LCV sales and up by 6.4 per cent.

Truck registrations fall 9.9 per cent in June:

- Registrations decline for fifth straight month in June. Year to date market down by 6.0 per cent;
- Rigid registrations fell 13.4 per cent in June and 4.5 per cent for YTD. Artic registrations fell by 1.9 per cent, 9.1 per cent year to date.